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May 16, 2005

Mr. Charles Terreni
Chief Clerk of the Commission
Public Service Commission of South Carolina
Post Office Drawer 11649
Columbia, South Carolina 29211

Re: BellSouth Telecommunications, Inc. Transit Traffic Tariff 2005-50
Docket No. 2005-63-C

Dear Mr. Terreni:

Enclosed for filing are an original and twenty-five copies of BellSouth Telecommunications, Inc.'s Direct Testimony of Kenneth Ray McCallen in the above-referenced matter.

By copy of this letter, I am serving all parties of record with a copy of the testimony as indicated on the attached Certificate of Service.

Sincerely,

A handwritten signature in black ink that reads "Patrick W. Turner". The signature is written in a cursive, flowing style.

Patrick W. Turner

PWT/nml
Enclosure
cc: All Parties of Record
DM5 #585326

1

2 **DIRECT TESTIMONY OF KENNETH RAY MCCALLEN**

3 **ON BEHALF OF BELL SOUTH TELECOMMUNICATIONS, INC.**

4 **BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA**

5 **DOCKET NO. 2005-063-C**

6 **MAY 16, 2005**

7

8 **Q. PLEASE STATE YOUR NAME, YOUR POSITION WITH BELL SOUTH**

9 **TELECOMMUNICATIONS, INC. ("BELL SOUTH"), AND YOUR**

10 **BUSINESS ADDRESS.**

11

12 **A. My name is Kenneth Ray McCallen. Since 1997 I have been an**

13 **Industry/Independent Relations Manager for BellSouth. My business address is**

14 **600 North 19th Street, Birmingham, Alabama, 35203.**

15

16 **Q. PLEASE PROVIDE A BRIEF DESCRIPTION OF YOUR BACKGROUND**

17 **AND EXPERIENCE.**

18

19 **A. I have a Bachelor of Science degree in Electrical Engineering Technology from**

20 **the University of Tennessee at Martin. Over the last 28 years, I have held a**

21 **variety of positions at BellSouth, including: Outside Plant Engineer, Investment**

22 **Separations Manager, Interstate Access Filing and Financial Analysis Manager,**

23 **Project Manager, Pricing Manager, and Industry/Independent Relations Manager.**

1 In my current position, I am responsible for managing BellSouth's accounts with
2 Independent Telephone Companies, which includes negotiations and sales.

3
4 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?**

5
6 A. My testimony explains and supports BellSouth's transit tariff. In the course of my
7 testimony, I: briefly discuss the negotiations between the parties to this docket
8 and BellSouth's understanding of the issues that are in dispute; provide a general
9 overview of transit traffic; provide a general overview of BellSouth's transit
10 tariff; describe the provision of transit traffic to competitive local exchange
11 carriers ("CLECs"); describe the provision of transit traffic to commercial mobile
12 radios service ("CMRS") providers (wireless carriers); and describe the provision
13 of transit service to independent telephone companies ("ICOs"). Where
14 appropriate, I also address certain aspects of the testimony of witnesses for
15 ALLTEL South Carolina, Inc. ("ALLTEL") and the South Carolina Telephone
16 Coalition ("SCTC") that was filed in this docket on May 2, 2005.

1 **I. SUMMARY OF NEGOTIATIONS AND ISSUES IN DISPUTE**

2

3 **Q. HAVE BELL SOUTH AND THE PARTIES TO THIS DOCKET**
4 **ATTEMPTED TO RESOLVE THEIR DIFFERENCES?**

5

6 A. Yes. BellSouth initiated discussions about transit traffic with representatives
7 from some of the South Carolina ICOs in July 2004. When these discussions did
8 not yield a resolution after several months of negotiation, BellSouth advised the
9 ICOs in December 2004 of its plan to file a transit tariff. BellSouth and the ICOs
10 continued to work toward a mutually agreeable resolution, but those efforts were
11 unsuccessful and, ultimately, BellSouth filed the tariff at issue in this docket (the
12 “transit tariff”) on February 2, 2005. Since that time, BellSouth and the parties to
13 this docket have had discussions to try to resolve their differences, but to date,
14 they have been unable to do so.

15

16 **Q. WHAT ISSUES HAVE THE PARTIES BEEN UNABLE TO RESOLVE IN**
17 **NEGOTIATIONS?**

18

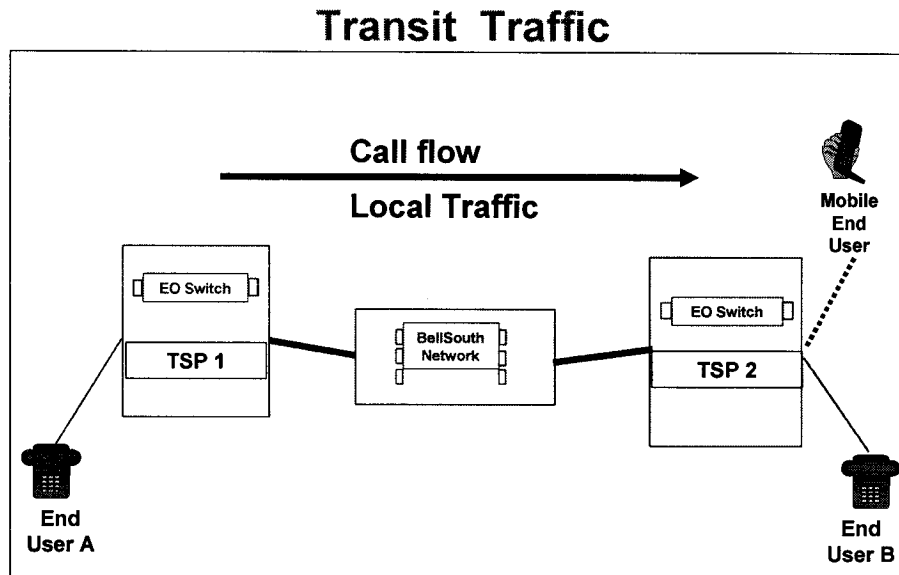
19 A. Based on the discussions described above, it appears that all of the
20 telecommunications service providers (“TSP’s”) that are parties to this docket
21 acknowledge that BellSouth provides a transit service and that BellSouth is
22 entitled to be compensated for performing that service. The issues seem to be (1)

1 what is the appropriate amount of that compensation; and (2) who should pay
2 BellSouth for the transit service it provides.

3
4 **II. GENERAL OVERVIEW OF TRANSIT TRAFFIC**

5
6 **Q. CAN YOU PROVIDE A GENERAL OVERVIEW OF TRANSIT**
7 **TRAFFIC?**

8
9 A. Yes. Generally, transit traffic is traffic that neither originates nor terminates on
10 BellSouth's network, but that is delivered to BellSouth by the TSP that originated
11 the traffic so that BellSouth can deliver the traffic to the TSP that will terminate
12 the traffic. Assume, for example, that a customer of TSP 1 calls a customer of
13 TSP 2. If TSP 1's network is not directly interconnected to TSP 2's network, TSP
14 1 may originate the call and deliver it to BellSouth who, in turn, will deliver the
15 call to TSP 2 so that it, in turn, can terminate the call to its end user. The diagram
16 below provides a pictorial description of transit traffic.



5

III. GENERAL OVERVIEW OF BELL SOUTH'S TRANSIT TARIFF

Q. WHAT DOES BELL SOUTH'S TRANSIT TARIFF ACCOMPLISH?

A. BellSouth's transit tariff provides a service option for TSPs that do not have a contractual agreement addressing transit service in place with BellSouth and that do not have direct interconnection for exchanging traffic with other TSPs.¹ Although BellSouth is neither required to provide a transit function, nor required to provide transit service at TELRIC rates,² BellSouth is willing to provide transit

¹ In some situations, a TSP with a direct interconnection with another TSP may send "overflow" traffic through BellSouth's network on a transit basis. The charges in BellSouth's transit tariff would apply to such "overflow" traffic.

² These legal issues will be addressed more fully in post-hearing briefs and were addressed briefly in pleadings filed on April 15, 2005, in which BellSouth cited to *Virginia Arbitration Order*, ¶ 117, 17 F.C.C.R. 27039 (FCC Wireline Competition Bureau, July 17, 2002); and *In re: Arbitration Petition of Cavalier Telephone LLC*, ¶ 38 (FCC Wireline Competition Bureau, Dec. 12, 2003).

1 services to TSPs because BellSouth has a ubiquitous network that is
2 interconnected directly with most TSPs in its region. When I refer to “direct”
3 interconnection, I mean there are trunk groups in place that connect BellSouth’s
4 network and another TSP’s network.

5
6 BellSouth’s business decision to provide transit service results in network
7 efficiency and allows other TSPs to avoid the expense involved with having to
8 establish direct connections. In other words, an ICO or a CLEC may have trunk
9 groups in place between its network and BellSouth’s network, but may not have a
10 trunk group in place between the CLEC and the ICO that allows for the direct
11 exchange of traffic. In order for the ICO and CLEC to exchange traffic from their
12 respective end users, the traffic transits BellSouth’s network, and the two TSPs
13 are indirectly interconnected to one another, as illustrated in the previous diagram.

14
15 BellSouth’s transit tariff allows TSPs to use BellSouth’s ubiquitous network to
16 interconnect indirectly with other TSPs. The tariff only charges the originating
17 TSP for local transit traffic and ISP-bound transit traffic for which BellSouth is
18 not otherwise being compensated. In other words, the tariff allows TSPs that
19 have not negotiated alternate arrangements with BellSouth and that choose to
20 send their originated traffic over BellSouth’s network to do so at the tariffed rate.

21
22 TSPs can avoid the tariffed transit charges by either entering into direct
23 interconnection agreements with other TSPs or by entering into alternate

1 arrangements for transit service with BellSouth or possibly with other TSPs that
2 offer transit service.

3
4 **Q. CAN YOU PROVIDE ADDITIONAL DETAILS ABOUT WHAT THE**
5 **TERM “LOCAL TRAFFIC” MEANS AS IT RELATES TO THE**
6 **BELLSOUTH TRANSIT TRAFFIC SERVICE TARIFF?**

7
8 A. Yes. For wireline-to-wireline traffic, Local Traffic is any intraLATA circuit
9 switched call transiting BellSouth’s network that originates from and terminates
10 to TSPs other than BellSouth, and for which BellSouth does not collect any
11 charges from end users.³ In this scenario, unlike the originating and terminating
12 TSPs, BellSouth has no end user participating in the call and, therefore, BellSouth
13 receives no compensation from any end user for the use of BellSouth’s network.
14 Instead, BellSouth receives compensation by a transit charge incorporated into a
15 BellSouth agreement with the originating TSP or under BellSouth’s transit tariff.

16
17 For wireless-to-wireless traffic, wireline-to-wireless traffic, and wireless-to-
18 wireline traffic, Local Traffic is any circuit switched call originating from and
19 terminating to TSPs other than BellSouth and transiting BellSouth’s network that
20 originates and terminates within the same Major Trading Area (MTA). An MTA
21 is the FCC-authorized wireless license territory which is defined as a local service

³ This traffic includes ICO to ICO traffic, CLEC to ICO traffic, ICO to CLEC traffic, and CLEC to CLEC traffic. For the purpose of BellSouth’s tariff, “Local Traffic” includes ISP-bound traffic exchanged between TSPs through the BellSouth Network.

1 area for CMRS traffic in 47 C.F.R 24.202(a). This traffic includes, but is not
2 limited to, CMRS-to-CMRS traffic, CMRS-to-ICO traffic, ICO-to-CMRS traffic,
3 CLEC-to-CMRS traffic and CMRS-to-CLEC traffic.

4
5 **Q. PLEASE EXPLAIN WHY BELL SOUTH'S TRANSIT TARIFF INCLUDES**
6 **ISP-BOUND TRAFFIC?**

7
8 A. BellSouth's tariff addresses traffic that uses BellSouth's network – traffic
9 exchanged between two non-BellSouth TSPs. This tariff has nothing to do with
10 reciprocal compensation that BellSouth pays to or receives from other TSPs.
11 Likewise, SCTC witness Mr. Staurulakis's reference to EAS arrangements at
12 pages 8 and 9 of his Direct Testimony is misleading – EAS arrangements, as he
13 concedes, were not contemplated to include ISP-bound traffic, yet ICOs send ISP-
14 bound traffic to BellSouth for delivery to other TSPs, and they use BellSouth's
15 network to do so. BellSouth simply seeks compensation from TSPs that use its
16 network. It makes no difference whether a call originates from an ICO end user,
17 transits BellSouth's network, and is delivered to a CLEC's end user, or originates
18 from an ICO end user, transits BellSouth's network, and is delivered to a CLEC's
19 ISP provider. In either case, BellSouth's network has been used, and, absent the
20 transit tariff, ICOs that have no contractual agreement addressing transit traffic
21 with BellSouth can originate traffic that transits BellSouth's network without
22 compensating BellSouth for the use of its network. An ICO originated call that
23 transits over BellSouth's network, and that is bound for an ISP number served by

1 a non-BellSouth TSP constitutes transit traffic as certainly as would any similarly
2 routed local voice call using the BellSouth network. Therefore, it would not be
3 appropriate, as ALLTEL witness Jayne Eve contends at pages 5-6 of her direct
4 testimony, to exclude ISP traffic from BellSouth's transit tariff. ICOs that send to
5 BellSouth their originated ISP traffic are using BellSouth's network and
6 BellSouth's service, and they should not be permitted to do so without
7 compensating BellSouth.

8
9 **Q. UNDER BELL SOUTH'S TARIFF, WHICH TSP PAYS FOR TRANSIT**
10 **SERVICE – THE TSP ORIGINATING THE TRAFFIC OR THE TSP**
11 **TERMINATING THE TRAFFIC?**

12
13 **A.** As I mentioned earlier, the originating TSP pays for the transit service it uses
14 under BellSouth's tariff.

15
16 **Q. IS IT APPROPRIATE TO REQUIRE THE ORIGINATING TSP TO PAY**
17 **TRANSIT CHARGES?**

18
19 **A.** Yes. The originating TSP can choose whether to directly connect with other TSPs
20 or to use BellSouth's transit service to send its originating traffic to those other
21 TSPs. Requiring the originating TSP to pay transit charges, therefore, is
22 consistent with general industry concepts regarding cost-causation, and it also is

1 consistent with the notion that the originating TSP pays the terminating TSP for
2 providing the terminating service.

3
4 In addition, BellSouth's current agreements with the CLECs and CMRS carriers
5 are consistent with the "originating party pays" concept.

6
7 Contrary to what Mr. Staurulakis suggests at page 11 of his direct testimony,
8 BellSouth is not seeking to force ICOs to use its transit service, nor is BellSouth
9 seeking to charge ICOs when it is not appropriate to do so. Rather, BellSouth is
10 only seeking to be compensated when ICOs use BellSouth's network by sending
11 ICO-originated traffic over that network. ICOs, just like other TSPs, should be
12 responsible for paying for the services they use. Mr. Staurulakis seems to ignore
13 completely that the SCTC member companies send their traffic to BellSouth for
14 termination to CLEC and CMRS providers.

15
16 **Q. PLEASE COMMENT ON THE SUGGESTION BY ALLTEL WITNESS**
17 **JAYNE EVE, AT PAGE 2 OF HER DIRECT TESTIMONY, THAT**
18 **BELLSOUTH ALREADY HAS A SIMILAR TARIFFED SERVICE,**
19 **KNOWN AS ACCESS TANDEM SWITCHING, WITH A LOWER RATE.**

20
21 **A.** BellSouth does have a tariffed service known as Access Tandem Switching, but
22 that service only provides a switching function. In contrast, BellSouth's transit
23 service provides more than just a switching function. Specifically, when an

1 originating TSP uses BellSouth's transit service, it uses transport from its point of
2 interconnection ("POI") with BellSouth to BellSouth's tandem switch. An
3 originating TSP using BellSouth's transit service also uses port/termination and
4 switching functions at BellSouth's tandem switch.

5
6 **Q. WHAT IS THE BASIS FOR BELL SOUTH'S PROPOSED TRANSIT**
7 **TARIFF RATE OF \$0.003 PER MINUTE OF USE ("MOU")?**

8
9 **A.** As I mentioned, BellSouth performs multiple functions, not just tandem
10 switching, for TSPs that use its transit service. BellSouth's tariffed transit rate is
11 comparable to rates in recently negotiated agreements between BellSouth and
12 CLECs and BellSouth and CMRS carriers for transit services. Exhibits KRM 1
13 and 2 are a listing of such agreements in effect in South Carolina.

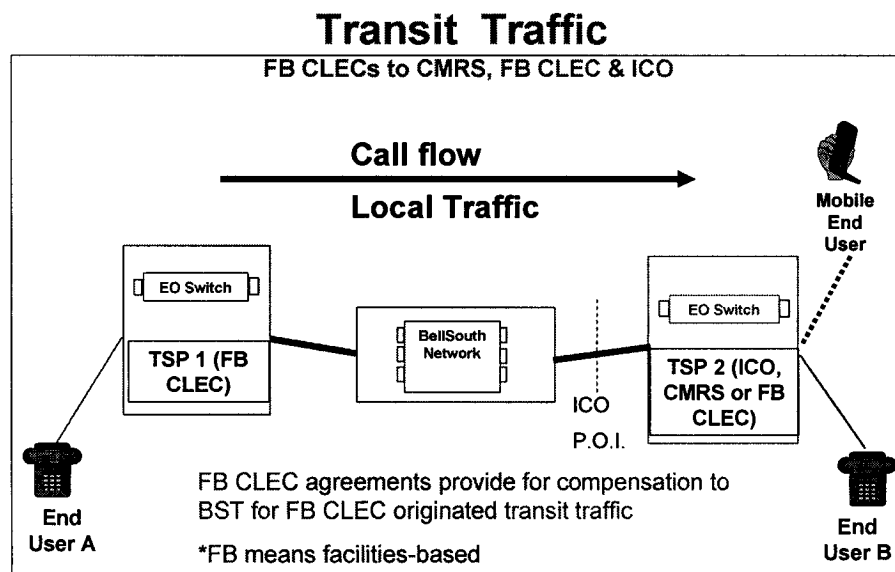
14
15 **IV. PROVISION OF TRANSIT SERVICE TO CLECS**

16
17 **Q. CAN YOU BRIEFLY DESCRIBE HOW BELL SOUTH'S TRANSIT**
18 **TRAFFIC SERVICE IS PROVIDED TO CLECS?**

19
20 **A.** Yes. All TSPs have the option of building or purchasing facilities to interconnect
21 directly with all other TSPs with whom they may need to exchange traffic. Such
22 arrangements may be inefficient, however, when certain TSPs only exchange a
23 minimal amount of traffic with certain other TSPs. Most CLECs have agreed to

1 pay BellSouth at a rate comparable to the proposed tariff rate of \$0.003 per MOU
2 when the charges for all the functions BellSouth provides in its transit service are
3 viewed in total. Attached as Exhibit KRM-1 is a list of approved interconnection
4 agreements with CLECs in South Carolina. Each of the listed agreements
5 contains a Tandem Intermediary Charge ("TIC") of \$0.0025. The TIC charge is
6 in addition to rates for tandem switching and transport.

7
8 The application of the appropriate transit service charges to CLECs are for the
9 traffic their end users originate that transits over BellSouth's network and that
10 terminates with non-BellSouth TSPs. The diagram below provides a pictorial
11 description of CLEC originated transit traffic.



1 **V. PROVISION OF TRANSIT SERVICE TO CMRS CARRIERS**

2

3 **Q. CAN YOU BRIEFLY DESCRIBE HOW BELL SOUTH TRANSIT**
4 **TRAFFIC SERVICE IS PROVIDED TO CMRS (WIRELESS) CARRIERS?**

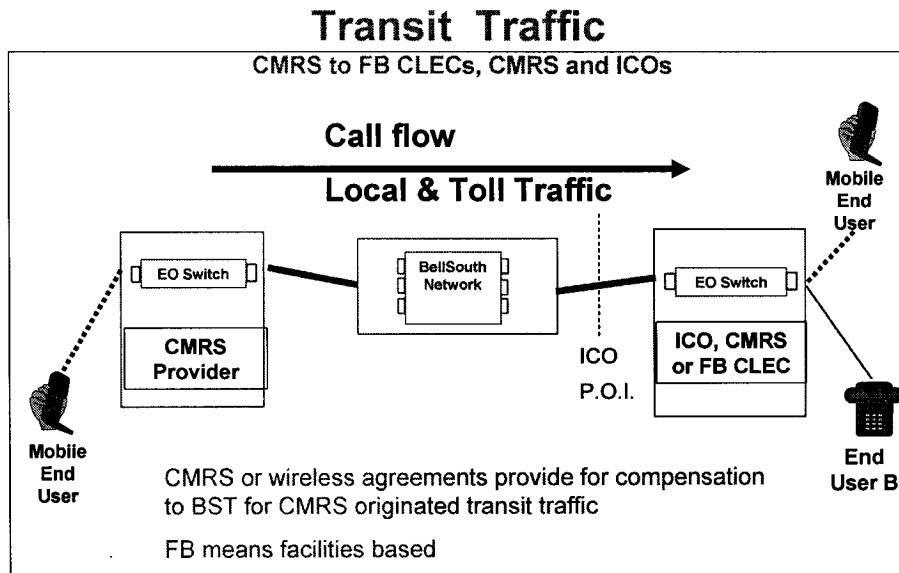
5

6 **A.** Yes. BellSouth provides transit services for CMRS (wireless) carriers in the same
7 manner, and for the same reasons, that it provides this service for CLECs.
8 Attached as Exhibit KRM-2 is a list of current agreements BellSouth has with
9 CMRS providers in South Carolina that shows the composite transit charge per
10 MOU.⁴ Although I am not a lawyer, and although this issue will be addressed
11 more fully in post-hearing briefs, it is my understanding that the FCC has
12 recognized the type of transit service BellSouth provides to CMRS providers in an
13 order released this year.⁵ The application of the appropriate transit service
14 charges to CMRS providers are for traffic their end users originate that is bound
15 for non-BellSouth TSPs. The diagram below illustrates the call flow:

16

⁴ Several of the agreements listed in Exhibit KRM-2 have been in place since mid-2003 or earlier, and BellSouth is actively negotiating new rates, comparable to the transit tariff rate, for these agreements.

⁵ *In re: Developing a Unified Intercarrier Compensation Regime, T-Mobile et al. Petition for Declaratory Ruling Regarding Incumbent LEC Wireless Termination Tariffs*, Declaratory Ruling and Report and Order, CC Docket No. 01-92 (Feb. 24, 2005), ¶ 5 (“CMRS providers typically interconnect indirectly with smaller LECs via a Bell Operating Company (BOC) tandem. In this scenario, a CMRS provider delivers the call to a BOC tandem, which in turn delivers the call to the terminating LEC. The indirect nature of the interconnection enables the CMRS provider and LEC to exchange traffic even if there is no interconnection agreement or other compensation arrangement between the parties.”).



4

VI. PROVISION OF TRANSIT SERVICE TO ICOS

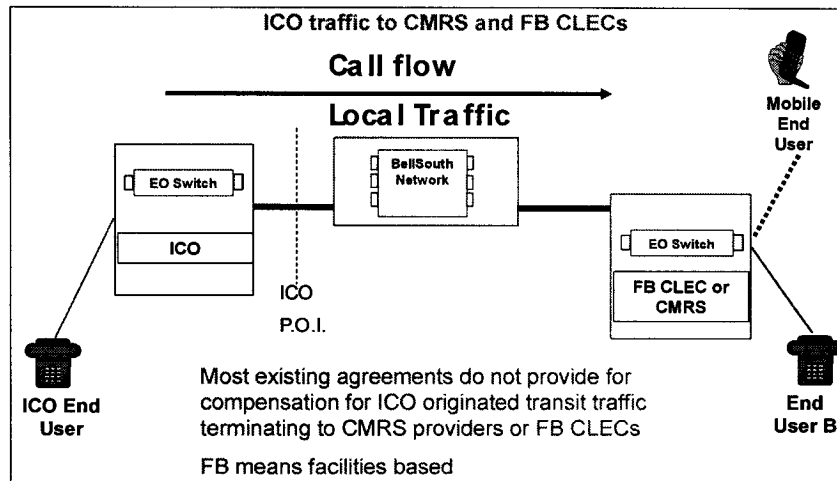
Q. CAN YOU PROVIDE BACKGROUND INFORMATION REGARDING THE CURRENT SITUATION BETWEEN BELL SOUTH AND THE ICOS REGARDING ICO-ORIGINATED TRANSIT TRAFFIC?

A. Yes. BellSouth and the ICOs have been exchanging traffic between their respective company's end users (two-party traffic exchange) for many years, and the associated two-party compensation regimes and agreements have also been in place for many years. However, with the explosive growth of wireless traffic and the implementation of the Telecommunications Act of 1996, numerous other TSPs now serve end users who place calls to or who are called by the ICOs' end users. The ability to place calls to the networks of these additional TSPs is

1 valuable to ICOs – it allows ICO end users to place calls ubiquitously to friends,
2 family members, and businesses that have opted to use wireless phones, or that
3 have switched their telephone service to a CLEC. It also allows the ICO to avoid
4 the expense of building facilities to interconnect directly with all these TSPs. The
5 transit service functionalities and value to an ICO as an originating TSP are
6 inherently the same as those described earlier regarding CLEC and CMRS
7 originated transit traffic. While BellSouth is willing to provide an efficient and
8 valuable means for ICOs to send their originated traffic bound for CLECs and
9 CMRS providers through BellSouth's network, BellSouth is not willing to
10 provide this service without receiving compensation for the use of its network.

11
12 It is critical to note that ICOs have chosen in the past and continue to this day to
13 route traffic bound for other TSPs through BellSouth's network, thereby creating
14 transit traffic. Further, as explained in more detail below, an ICO is not required
15 to route traffic through BellSouth's network. Also, in the ICO originated,
16 BellSouth transited, other TSP terminated traffic scenario, BellSouth has no end
17 user from which to receive compensation for the use of its network, which is not
18 the case for the ICO and terminating TSP. The diagram below illustrates ICO
19 originated transit traffic.

Transit Traffic



3

1

2 **Q. CAN YOU EXPLAIN THE DIFFERENCE BETWEEN DIRECT AND**

3 **INDIRECT INTERCONNECTION AND THE CHOICES ICOs HAVE**

4 **REGARDING THEIR ORIGINATED TRAFFIC DESTINED FOR THIRD-**

5 **PARTY TSPs?**

6

7 **A.** Yes. Although I am not a lawyer, I understand generally that Section 251(a) of

8 the 1996 Act requires all TSPs to interconnect their networks either directly or

9 indirectly with each other and with any TSP requesting such interconnection.

10

11 In BellSouth's view, ICOs have several interconnection choices, despite what the

12 SCTC witness Mr. Staurulakis apparently believes (based on page 4 of his Direct

13 Testimony). These choices include the following:

- 14 1. An ICO can directly connect with the terminating CLEC or CMRS
- 15 carrier without sending its originated traffic through BellSouth. In

1 this scenario, the ICO and the CLEC could mutually establish
2 direct, two-way trunk groups, thus bypassing BellSouth's network
3 completely and avoiding the tariffed transit traffic charge; or

4
5 2. If the CLEC does not object to paying BellSouth transit charges,
6 but the ICO does, the CLEC could elect to send its traffic to an
7 ICO using indirect interconnection, meaning the CLEC would send
8 its traffic to the ICO through trunk groups connected to
9 BellSouth's network. The ICO, however, could elect to establish
10 one-way direct trunk groups that connect the ICO's network to the
11 CLEC's network and deliver ICO originated traffic directly to the
12 CLEC, bypassing BellSouth's network altogether and avoiding the
13 transit traffic charge; or

14
15 3. The ICO can deliver its local transit traffic destined for other TSPs
16 to BellSouth (or possibly to another company that offers transit
17 service) and pay for the transiting service it is using; or

18
19 4. An ICO could presumably decide to block calls to TSPs with
20 whom it does not have an effective interconnection
21 agreement/compensation arrangement and decline to originate
22 traffic to such TSPs.

1 **Q. DOES BELLSOUTH’S TARIFF REQUIRE ANY ICO TO ESTABLISH OR**
2 **USE AN OUT-OF-SERVICE-AREA POI?**

3
4 A. No. As I explained earlier, ICOs have choices about how to route the traffic they
5 originate that is destined for a non-BellSouth TSP. If ICOs decide to route their
6 originated traffic through BellSouth’s network, as they have been doing for some
7 time, rather than negotiating and implementing direct trunking and
8 interconnection with CLECs or CMRS providers, they know that the traffic
9 originates from within their own network and transits BellSouth’s network
10 through the long-standing POI with BellSouth. Mr. Staurulakis’ suggestion, at
11 pages 5 and 6 of his Direct Testimony, that BellSouth is somehow requiring
12 SCTC members to use an out-of-service POI is inaccurate.

13
14 The traffic originated by SCTC’s members that is routed to BellSouth is destined
15 eventually for the POI between BellSouth and the intended terminating TSP.
16 ICOs are also fully aware that when they choose to originate and route the traffic
17 in this manner, they use BellSouth’s network as an extremely convenient (and
18 previously unpaid) option for exchanging traffic with other TSPs. This transit
19 service allows ICO end users to call the end users of all the South Carolina CLEC
20 and CMRS providers with which BellSouth interconnects.

1 **Q. ALLTEL SUGGESTS THAT ICOS ARE SIMILARLY SITUATED TO AN**
2 **INTEREXCHANGE CARRIER (“IXC”) WHEN USING BELL SOUTH’S**
3 **TRANSIT SERVICE. DO YOU AGREE?**

4
5 **A.** Contrary to what ALLTEL suggests, ICOs are similarly situated to CLECs and
6 CMRS providers that have agreed to pay BellSouth for the transit service
7 BellSouth provides them. It is only logical and fair for ICOs to pay a comparable
8 rate when BellSouth provides them with that same transit service. Further, TSPs
9 obtain value by using BellSouth’s transit service, and indirect interconnection,
10 until traffic volumes grow to levels that justify the network and capital resources
11 involved with direct interconnection. Finally, originating ICOs would not send
12 their traffic over BellSouth’s network if they received no value or benefit from
13 doing so.

14
15 **Q. PLEASE COMMENT ON THE STATEMENT BY ALLTEL’S WITNESS**
16 **JAYNE EVE, AT PAGE 4 OF HER DIRECT TESTIMONY, THAT**
17 **BELL SOUTH HAS BEEN PROVIDING TRANSIT SERVICE UNDER A**
18 **BILL AND KEEP COMPENSATION ARRANGEMENT.**

19
20 **A.** I disagree with that statement. Bill and Keep is a compensation arrangement
21 intended for the originating and terminating TSPs in a situation where both TSPs
22 receive compensation from an end user. BellSouth’s transit tariff applies only in a
23 three-carrier scenario (i.e., an originating TSP, BellSouth as the transit provider,

1 and a terminating TSP) in which BellSouth has no end user from which it receives
2 compensation. Consequently, the cost and benefit is not roughly balanced as it is
3 in those situations where TSPs agree to bill and keep as a reciprocal compensation
4 mechanism. The logical outcome in the transit scenario requires the originating
5 TSP to pay for the transit service it receives. Moreover, because BellSouth has
6 never had an end user in a transit service arrangement, it has never provided
7 transit service on a bill and keep basis in the past. Instead, ICOs have elected to
8 send traffic to BellSouth and have simply not paid for using BellSouth's network.

9 10 **VII. CONCLUSION**

11
12 **Q. WHAT IS YOUR RECOMMENDATION TO THE COMMISSION?**

13
14 **A.** The Commission should deny all complaints against BellSouth's transit tariff.

15
16 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

17
18 **A.** Yes.
19
20

CLEC INTERCONNECTION AGREEMENTS
Tandem Intermediary Charge of \$0.0025*

Customer Name	Effective in States	Effective Date
Airface	AL FL GA KY LA MS NC SC TN	5/22/05
ALCALL	AL FL GA KY LA MS NC SC TN	3/20/04
ALLTEL Communications, Inc. (CMRS 0047 & CLEC)	AL FL GA KY LA MS NC SC TN	8/29/2004
Alternative Phone, Inc.	AL FL GA KY LA MS NC SC TN	5/26/05
American Fiber Networks, Inc	AL FL GA KY LA MS NC SC TN	2/5/2004
AugLink	AL FL GA KY LA MS NC SC TN	5/27/05
Azul Tel Initial ICA 3Q03 Standard	AL FL GA KY LA MS NC SC TN	6/10/2004
BLC Management LLC dba Angles Communications Solutions	AL FL GA KY LA MS NC SC TN	2/29/2004
Broadband Communities of Florida, Inc.	AL FL GA KY LA MS NC SC TN	3/20/2004
Bullseye Telecom, Inc.	AL FL GA KY LA MS NC SC TN	3/26/2004
C A Networks, Inc.	AL FL GA KY LA MS NC SC TN	5/15/05
CI2, Inc	AL FL GA KY LA MS NC SC TN	5/22/2004
Communications Express Inc.	AL FL GA KY LA MS NC SC TN	1/10/2004
CommPartners, LLC	AL FL GA KY LA MS NC SC TN	3/4/05
Conextel	AL FL GA KY LA MS NC SC TN	6/10/2004
Dalton Utilities	AL FL GA KY LA MS NC SC TN	5/28/05
Deland Actel, Inc.	AL FL GA KY LA MS NC SC TN	7/15/2004
DialEZ, Inc.	AL FL GA KY LA MS NC SC TN	3/3/05
EZ Communications, Inc.	AL FL GA KY LA MS NC SC TN	1/1/2004
Globe Telecommunications	AL FL GA KY SC TN	12/17/04
GulfPines Communications, LLC	AL FL GA KY LA MS NC SC TN	5/22/05
Home Telecom, LLC	SC	1/19/05
INET Communications, Inc.	AL FL GA KY LA MS NC SC TN	7/4/2004
InterGlobe Adoption	AL FL GA KY LA MS NC SC TN	9/23/2004
International Telnet	AL FL GA KY LA MS NC SC TN	5/12/2004
JCM NETWORKING	AL FL GA KY LA MS NC SC TN	6/3/2004
Kentucky Data Link	AL FL GA KY LA MS NC SC TN	12/31/04
KingTel, Inc.	AL FL GA KY LA MS NC SC TN	6/5/2004
Knology	AL FL GA KY SC TN	12/17/04
Latin America Telephone Corporation	AL FL GA KY LA MS NC SC TN	1/1/2004
Level 3 Communications, LLC	AL FL GA KY LA MS NC SC TN	6/23/2004
Midwestern Telecommunications	FL GA SC	7/23/04
NationsLine	FL GA KY LA NC SC TN	4/7/05
NationNet Communications Corporation	AL KY SC	1/7/05
Network PTS	AL FL GA KY LA MS NC SC TN	7/15/2004
Network USA	AL FL GA KY LA MS NC SC TN	6/3/05
New Access	AL FL GA KY LA MS NC SC TN	7/16/2004
Newcomm, Inc.	AL FL GA KY LA MS NC SC TN	6/24/2004
Nexus Communications, Inc.	AL FL GA KY LA MS NC SC TN	7/9/2004
OnFiber Carier Servies, Inc.	AL FL GA KY LA MS NC SC TN	2/25/05
Quality Telephone Inc.	AL FL GA KY LA MS NC SC TN	1/11/2004
Redsquare	AL FL GA KY LA MS NC SC TN	5/25/05
Rent-A-Line	AL FL GA KY LA MS NC SC TN	7/9/2004
Ring Connection, Inc.	AL FL GA KY LA MS NC SC TN	5/15/2004
SCANA Communications	GA NC SC	5/7/05
Slappey Telephone	AL FL GA KY LA MS NC SC TN	2/19/05
Solution Telecom, Inc.	AL FL GA KY LA MS NC SC TN	1/8/2004
Southern Telecommunications Company, LLC	AL FL GA KY LA MS NC SC TN	3/20/2004
Terra Telecommunications	AL FL GA KY LA MS NC SC TN	6/3/05
The NoNa Corporation	AL FL GA KY LA MS NC SC TN	5/13/05
Think 12 Corporation d.b.a Hello Depot	AL FL GA KY LA MS NC SC TN	3/4/2004
Trans National Communications International, Inc.	AL FL GA KY LA MS NC SC TN	3/17/2004
Universal Beepers Express, Inc.	AL FL GA KY LA MS NC SC TN	1/17/2004
USA Telecommunications	AL FL GA KY LA MS NC SC TN	5/22/05
Unicom	AL FL GA KY LA MS NC SC TN	6/3/05
WorldTel	AL FL GA KY LA MS NC SC TN	5/8/05
WorldxChange Corp. dba Acceris	AL FL GA KY LA MS NC SC TN	2/4/2004
Your Communication Connection Group, Inc.	AL FL GA KY LA MS NC SC TN	1/1/2004

* The Tandem Intermediary charge is in addition to rates for tandem switching and transport

CMRS Interconnection Agreements in South Carolina		
Transit Traffic Rates		
CMRS Name	Transit Traffic Composite Rate	Effective Date(s)
US Cellular	0.003000	11/3/2004
Alltel Communications, Inc.	0.002500	8/29/2004
Alltel Communications, Inc.	0.003000	9/1/2005
T-Mobile	0.002000	5/1/2003
Triton	0.002000	8/15/2002
Cingular	0.002000	6/14/2001
Verizon Wireless	0.002000	7/15/2002
Nextel	0.002000	6/14/2001
Sprint PCS	0.002000	1/1/2001
Action Communications	0.002000	11/1/1999
South Carolina Phone LLC	0.002000	11/1/1999
Hargray	0.002000	4/1/1998

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The undersigned, Nyla M. Laney, hereby certifies that she is employed by the Legal Department for BellSouth Telecommunications, Inc. ("BellSouth") and that she has caused BellSouth Telecommunications, Inc.'s Direct Testimony of Kenneth Ray McCallen in Docket No. 2005-63-C to be served upon the following this May 16, 2005:

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